



Give your employees the support they need. *Introduce them to the Health Coverage Tax Credit.*

Has the PBGC trustee your company's pension? If so, your employees and their families may qualify for the HCTC. You can use the information below to help them apply for a federal tax credit that covers 80% of qualified health insurance premiums.

Who can receive the Health Coverage Tax Credit (HCTC)?

People who are age 55 or older and receive pension payments from the Pension Benefit Guaranty Corporation (PBGC), and are enrolled in a qualified health plan

What health plans qualify?

- **COBRA or certain types of Voluntary Employee Beneficiary Associations (VEBAs).**
- **State-qualified plan.** State-qualified health plans meet certain state-defined criteria. For a complete list of qualified plans, visit our website.
- **Coverage under a spouse's plan.** To qualify for the HCTC the employee's spouse must pay more than 50% of the plan's premium.

How is the HCTC different from the 65% COBRA Subsidy?

The HCTC is completely separate from the 65% COBRA Premium Reduction. Employees can't receive the HCTC **and** the premium reduction during the same month, but they can opt out of the 65% COBRA subsidy to receive the 80% HCTC, which they can apply to their COBRA plan.

How can you help?

- Add the Important Information for PBGC Recipients sheet to any pension-related communications.
- Share information on qualified health plans.

Who can you contact if you have questions?

- Visit **www.irs.gov** (Search: HCTC)
- Call the Customer Contact Center toll-free at **1-866-628-HCTC (4282)**.
- Email us at **wi.hctc.stakeholder@irs.gov**.